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3 December 1958

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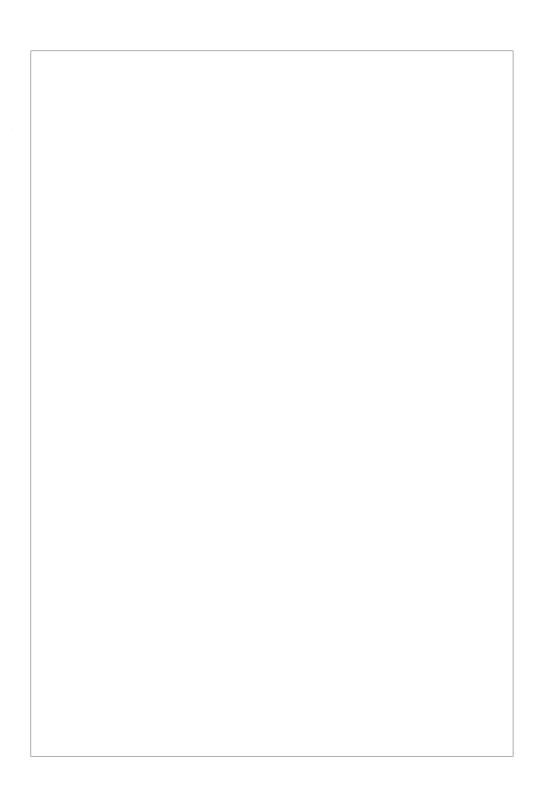
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3 DECEMBER 1958

I. THE COMMUNIST BLOC

USSR - Available evidence suggests launching attempt, possibly of space vehicle in near future.

Khrushchev to confer with Polish and East German leaders on Berlin tactics.

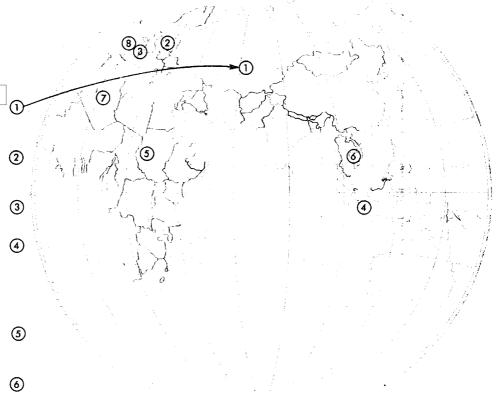
Latest Soviet proposals at Geneva talks leave Communist position unchanged.

Four Soviet sub chasers being delivered to Indonesia.

II. ASIA-AFRICA

Sudan - Abboud rebuffing politicians advice; regime pursuing independent foreign policy tactics.

Cambodia presents its case against Thailand to Communist China and USSR.



III. THE WEST

- 7 De Gaulle's policy on Algeria may be hampered by overwhelming parliamentary sentiment for integration.
- (8) French dragging feet in NATO as tactic to advance De Gaulle's triumvirate proposals.
- Bolivia President Siles says USSR has offered aid to oil industry.
- Uruguay Colorado party defeated by protest vote; change in orientation under National party considered unlikely.
- ① Colombia Government expects coup attempt by supporters of ex-dictator Rojas.

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CENTRAL INTELLIGENCE BULLETIN

3 December 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

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Soviet missile activity:

involving the Tyura Tam Missile Test Range indicate that a launching attempt may take place in the near future. Available evidence suggests that the next Soviet attempt will involve some type of space vehicle rather than an ICBM.

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USSR-Berlin: Khrushchev is scheduled to meet soon with Polish and East German leaders to discuss further tactics on Berlin. A Czech broadcast says Khrushchev, Gomulka, Cyrankiewicz, and Ulbricht will "coordinate a political and diplomatic initiative for the solution of the Berlin problem and for relaxation in central Europe."

(Page 1)

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USSR--Geneva talks: Soviet-bloc delegates in both Geneva conferences have introduced "declarations" summarizing bloc proposals and criticizing Western positions. These declarations, apparently designed for early publication, represent further efforts to place the bloc in the strongest possible position prior to proposals to end the talks or raise them to a higher level. The USSR's ostensible concession in agreeing to include "basic provisions" on controls in a treaty on ending nuclear tests does not alter its basic position that the West must agree to a permanent and unconditional cessation of testing before the details of a control system can be discussed. (Page 2)

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TOP SECRET

USSR-Indonesia: Four Soviet sub chasers being towed by a merchant ship and three tugs cleared the Turkish Straits on 24 November and transited the Suez Canal on 30 November, apparently for delivery to Indonesia under its arms deal with the bloc. Under an \$85,000,000 credit from Poland, Indonesia is scheduled to receive by the end of this year eight sub chasers from the bloc, the first four of which were delivered in mid-October. This credit also provides for Indonesia to receive four destroyers and two submarines from the bloc.

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Sudan! Recent decisions by the Abboud regime in foreign and domestic affairs reflect his independence from the influence of old-line politicians. The regime has accepted the American aid program; recognized Communist China; stated its intention to abide by the 'neutralist' Bandung principles; and is considering a long-standing Soviet offer of assistance. The government has moved to curb pro-Communist and pro-UAR publications. (Page 3)

No

Cambodia: The Cambodian ambassador in Peiping has presented his government's version of the dispute with Thailand to the Chinese Communist government. Sihanouk's account has also been passed to all diplomatic missions in Peiping, and has been transmitted to Moscow. This action may be a preparatory step by Premier Sihanouk in case he feels the need to request Peiping's support against Thailand.

(Page 4)

III. THE WEST

France-Algeria: De Gaulle's maneuverability on Algeria may be severely circumscribed by the election of over 400 parliamentary deputies—out of a total of 546—who generally favor integration with France. With his prestige at a new high and his power to govern by decree extending for some time, he may, however, try to move rapidly toward a comparatively liberal solution. He may announce the long-rumored replacement

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DAILY BRIEF

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of Generals Salan and Massu and the re-establishment of civilian administration during his scheduled 3-7 December visit to Algeria. (Page 5)	
France-NATO: France's footdragging on key NATO military programs is apparently motivated by a determination to impress the United States and Britain with the seriousness of De Gaulle's proposals for tripartite global policy coordination. Growing French nationalism, as shown in the 30 November election results, will encourage De Gaulle to persist in this attitude even at the risk of further delay in NATO military projects and of political tension within the alliance. (Page 6)	• .
Bolivia: President Siles says that the USSR has offered large-scale assistance to Bolivia's national oil company. For eign Minister Andrade, referring to a Rumanian UN proposal on oil development, has said that Bolivian public opinion is highly vulnerable to Soviet-bloc maneuvers because of the national oil company's failure to obtain loans from free-world sources. (Page 7)	r- l
Uruguay: The National party defeated the Colorado part in the 30 November elections on the basis of protest votes, largely on economic issues, rather than on a positive platform. After 93 years of Colorado party rule, considerable transitional confusion is likely, but Uruguav's foreign policy probably will not be basically altered. (Page 8)	y
Colombia: The Lleras government expects the supporter of former dictator Rojas to attempt a coup, possibly within the next few days. Leaders of the plot recently claimed that the plans were in too advanced a stage to halt and indicated that the action would be timed for about mid-December. Rojapparently has some support in the army, which is reported to be restive. (Page 9)	; jas

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TOP SECRET

I. THE COMMUNIST BLOC

Conference May Be Held in Warsaw to Discuss Berlin Problem

Khrushchev, Ulbricht, Gomulka, and Cyrankiewicz are to meet soon in Poland, according to a Czechoslovak station broadcasting to Italian Communists, to "coordinate a political and diplomatic initiative for the solution of the Berlin problem and for a relaxation of tension in central Europe." Khrushchev said on 10 November that he would soon return the visit of Polish leaders to the USSR, and an East German delegation headed by party boss Ulbricht is scheduled to visit Poland later this month.

While Polish leaders have publicly supported Khrushchev's proposals on Berlin, many Poles are reported uneasy. Khrushchev may consider it necessary to reassure Poland that any changes in Berlin's status will not have an adverse effect on Poland's western borders.

The conference probably will again call for a settlement of the German problem through the creation of a confederation of the two German states, as recently suggested by East Germany. Moscow has said that it would be better to reach an over-all settlement on Germany rather than just the Berlin aspect, but that this is impossible so long as the West insists on free all-German elections.

The Communist governments may reaffirm previous bloc proposals to re such as the Rapacki Plan, and a nonage	duce tensions in Europe
the Warsaw Pact countries and NATO.	

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Bloc Delegates at Geneva Issue Declarations On Basic Proposals

Soviet bloc delegates in both Geneva conferences have introduced formal "declarations" which apparently are designed for early publication and may foreshadow Soviet initiatives to end the talks or raise them to the foreign-minister level.

On 29 November, the Soviet delegate to the nuclear test talks introduced a declaration which stressed the "merits" of the Soviet position and accused the West of evading an agreement by insisting on detailed discussion of a control system. After listing four major points in the Western position which "cast doubt on the successful completion" of the talks, the Soviet declaration stated that the USSR would not object to the inclusion of "basic provisions on control" in a treaty on the cessation of tests. This ostensible concession was intended to remove a weak point in the Soviet position—the vague relationship between the Soviet—proposed treaty and a protocol on controls. This latest proposal, however, does not alter the basic Soviet position that the drafting of a treaty, with only the briefest reference to controls, must be completed before provisions for a control system can be discussed.

In the conference on surprise attack, the Soviet delegate introduced a declaration on 28 November which spelled out bloc proposals linking "concrete measures" to reduce the danger of surprise attack with specific disarmament measures. The declaration repeated, with minor variations, long-standing Soviet proposals for ground control posts and aerial photography. These inspection measures, according to the declaration, would be valueless unless accompanied by "concrete" disarmament measures which would include reduction by one third of foreign forces in Europe and a ban on nuclear weapons and missiles in both parts of Germany.

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II. ASIA-AFRICA

Sudanese Situation

Domestic and foreign policy decisions of the Sudan's new military regime under General Ibrahim Abboud reflect independence from the influence of old-line politicians and suggest the possible emergence of Abboud as a genuine "strong man." There is no indication of any organized opposition to the regime, although former Prime Minister Khalil and his Umma party are reported to be disturbed by Abboud's ignoring their advice. There may also be a group of disgruntled junior army officers.

Abboud's cabinet has accepted the controversial American aid program and is likely to seek additional US assistance. A Soviet offer of assistance is also under consideration. On 29 November Foreign Minister Ahmad Khayr proclaimed the government's intention to abide by the neutralist "principles of Bandung." At the same time, he announced its recognition of Communist China, a subject of contention between conservative and radical elements in the now-dissolved Parliament. On 1 December Communist China responded favorably, announcing its decision to establish diplomatic relations.

On the major problem of the division of the Nile waters, Abboud is quoted as saying that negotiations will be conducted between the Sudan and the UAR--excluding the United Kingdom. Abboud has indicated, however, he will accept the British arms gift proferred to the previous government.

The regime is maintaining close surveillance over press
and political activities. It has closed the pro-Communist news-
paper Al Midan and confiscated copies of the radical Cairo
weekly Rose al-Yussif. On 29 November it arrested a number
of leaders of Communist-front and labor organizations.

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Cambodia Enlisting Bloc Support in Dispute With Thailand

The Sihanouk government has broadened the implications of the continuing Thai-Cambodian dispute by a prompt approach to the Sino-Soviet bloc. Cambodian Ambassador Leng Ngeth in Peiping notified Phnom Penh on 28 November that he had submitted Cambodia's case to the Chinese Communist Ministry of Foreign Affairs and to diplomatic missions in Peiping, and had met sympathetic response. On 29 November, the Chinese Communist foreign minister stated that his country "is ready to help in every way to combat this injustice." Cambodia's ambassador to Moscow has also been supplied with an official version of the breakdown in relations with Bangkok.

Cambodia's action provides a convenient means for the Sino-Soviet bloc to strengthen its identification with Cambodia's national interests at the expense of Western influence.

Sihanouk, apparently surprised by the furore created by his precipitate decision to suspend relations with Thailand, now seems desirous of patching up the quarrel. However, the growing harshness of Thailand's terms--apparently stiffened by Marshal Sarit personally--is making such backtracking increasingly difficult. Sihanouk's diplomatic action may well be a precautionary move against the possibility that relations with Thailand will deteriorate to a point where he feels compelled to seek more direct support from the bloc, possibly even token military equipment from Communist China.

III. THE WEST

De Gaulle's Algerian Policy Complicated by French Election Results

The election on 30 November of some 400 French deputies who generally favor integration of Algeria with France may have severely circumscribed De Gaulle's ability to solve the crucial Algerian problem, according to the American Embassy in Paris. The embassy considers that the result is a strong popular mandate for integration, and that the critical point is the extent to which De Gaulle will feel he can disregard it.

There are indications that De Gaulle still intends to try to move rapidly toward a liberal solution. He retains power to rule by decree for some weeks, and the embassy doubts that Parliament, even if it were in session during this period, would or could block implementation of a given policy determined by De Gaulle.

plans following the elections to release the five Algerian rebel leaders imprisoned since 1956 suggests one way in which he may attempt to regain the initiative for contacts with the rebels. A civilian replacement is to take over the civil functions of General Salan, the French delegate general in Algeria. This may be announced, along with a general replacement by civilians, of army officers acting as prefects, in connection with the premier's 3-7 December visit. The transfer of General Massu is also likely to be announced.

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French Delaying NATO Programs

French noncooperation on several key NATO military projects is admittedly motivated by a spirit of nationalism and by a determination to win acceptance of Premier de Gaulle's recent proposals that the Western Big Three coordinate their global policy and strategy. French staff officers at SHAPE have intimated to Norstad that it would be "useful" for him to see De Gaulle personally and he has requested an appointment before the NAC ministerial meeting scheduled later this month.

France has lodged a reservation concerning plans for integrated NATO air defense, has refused approval of new projects required to implement the NATO new-weapons and atomic-stockpile program, and is holding up implementation of the "forward scatter" communications system. It has also long insisted on a special relationship with the US--equivalent to the US-UK arrangements--concerning joint control of IRBM's and of any NATO nuclear weapons stockpiled in France.

French public opinion has allegedly been a major factor underlying De Gaulle's decision to request tripartite policy coordination. The American Embassy in Paris believes the impressive showing of the nationalistic New Republic Union party in the parliamentary elections will assure parliamentary support for the premier's efforts to enhance France's international prestige. De Gaulle is therefore likely to persist in obstructionism in NATO, despite the resulting political tension within the alliance.

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Bolivia May Be Receptive to Soviet-bloc Gestures on Petroleum Financing

Bolivian President Siles informed the American Embassy on 30 November that the Soviet Embassy in Argentina had offered large-scale assistance to YPFB, Bolivia's national oil company. Foreign Minister Andrade stated on 29 November that Bolivian public opinion was highly receptive to such proposals as the one made by Albania and Rumania in the UN for international cooperation in developing of the oil industry in underdeveloped countries. Andrade referred particularly to the failure of YPFB to obtain loans from private and public sources in the free world.

Ambassador Bonsal comments that certain elements in the Bolivian situation favor Soviet-bloc efforts: 1) the gross value of mineral exports has decreased almost 70 percent in the past two years; 2) serious cuts in employment are in prospect; and 3) exploration by private foreign companies apparently has not produced results.

All Bolivia's oil production comes from YPFB, which	L
has made Bolivia a net exporter of petroleum in the past	
several years despite its small daily production, now	
running at about 10,000 barrels. YPFB's general manage	
believes, on the basis of available information concerning	
promising geological structures, that the company's prese	nt
production could be increased to 35,000 barrels per day in	1
three years by an investment of \$100,000,000.	

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Uruguayan Elections

The victory of the conservative National party in Uruguay's 30 November elections, after almost a century of supremacy by the liberal Colorado party, stems mainly from widespread disillusionment over economic conditions. The Socialists and Communists made only small gains; the Communists polled some 3 percent of the vote.

Within the National party, the faction led by 86-year-old Alberto Herrera has a clear lead in the nearly complete returns over the generally respected leaders of the Blanco Democratic Union (UBD) faction and will control the nine-man executive council which heads the government. Two referendums to change from the council system to a single president failed.

A difficult transition period is in prospect since the National party has no specific program and little experience in governing. The American Embassy in Montevideo comments that the Herrera faction tends to be more demagogic and has fewer leaders of proven ability than the UBD.

Martin Etchegoyen is expected to be the first president of the governing council. He is regarded as a front man for Herrera, who is sometimes unfriendly to the United States. However, Uruguay's foreign policy probably will not be basically altered.

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Coup Attempt Expected in Colombia

The Colombian Government expects the supporters of former dictator Rojas to attempt a coup within the next few days. Rojas has been the cause of considerable tension and government concern since he returned to Colombia on 11 October, allegedly to clear his honor of charges of misconduct during his 1953-57 presidential term. Rojista leaders recently claimed that their plans for action against the Liberal-Conservative regime of popular President Lleras were too advanced to halt and implied the coup would take place in mid-December, when the Senate plans to begin prosecution of Rojas.

Rojas, who placed the military in a privileged position during his presidency, is believed to have some support within the armed forces and possibly among the dissident Conservative elements who oppose the incumbent National Front regime. The Colombian Intelligence Service, an army-controlled agency originally established by Rojas, may also be cooperating with the movement. Top-ranking officers, however, have thus far appeared to support Lleras, although the loyalty of air force commander General Pauwels and armed forces commander General Gomez has been questioned.

A Rojista coup attempt, designed to unseat Lleras but not necessarily to restore Rojas to power, would probably be accompanied by considerable violence. Anti-Rojas sentiment		
among civilian groups probably continues strong.		

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The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

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